

Renata B. Hesse - Antitrust Division
US. Dept of Justice
601 D Street NW Suite 1200
Washington, DC 20530-0001

Subject: Microsoft Settlement

I am writing as a consumer and an amateur student of computer technology. I work for a medical research company in a position outside our Information Systems department. I have been an early adopter of home computing technology since the 70's.

I purchased my first IBM PC in 1981 and I have the receipt. The operating system (DOS) cost \$40 and the actual computer (without even a hard drive or a monitor) cost well over \$2,000. This came to well under 3% of the cost of the system. Today I can buy a vastly more powerful computer with a hard drive and monitor and much more memory for under \$1000. The reduction in price is because of competition in the hardware sector. The cost of the operating system for such a new system would be more than double even though it has not advanced as much as the hardware. And the hardware is much more capital intensive to develop particularly considering the reduced margins. This imbalance and the actions of Microsoft to achieve this condition are well documented in the Findings of Fact (in the case before Judge Jackson). I have read the Findings of Fact as part of my interest in computer technology.

I am writing to express my complete dissatisfaction with the proposed settlement. It is not sufficient by a LONG shot. It will not restore competition nor will it punish the misuse of monopoly power. And finally (and this is my unique observation it seems) it will do nothing to restore the vigor to the development of software. Innovative software development "looks" like a competitive market but I content it has been smothered along with many of Microsoft's competitors. The opportunity to make money from novel and innovative software has been deeply hurt by the abuse of the Microsoft monopoly. There must be an opportunity to make money and prosper in order to get investment money. We should have many times the number of innovative software companies that we have today. Today we have many companies using Microsoft tools and writing Microsoft programs and never able to get outside this narrow and restrictive canyon. Any effective settlement needs to address this situation by restoring opportunity.

Finally, I am just now informed by the news wires of the proposed settlement by the 9 states not signing on to the DOJ settlement. They have a MUCH more realistic proposal. A bare bones operating system just might open a window for other competitors to come into the marketplace with innovative competitive products in this new lower tier market. This is the type of thinking that needs to be applied to the problem. The very best solution is to break the company up into several smaller competitive companies and that should never have been removed from the table.

Ben Bowers
420 Fruit Farm Rd
Royersford, PA 19468

B. Bowers
12/7/01
5:30 PM